Amendments to the Claims:

This listing of claims will replace all prior versions, and listings, of claims in the application.

Listing of Claims:

1-24 (Canceled).

25 (Currently amended). A method of compressing a digital image having a plurality of pixels, each of said plurality of pixels represented by a sequence including at least three ordered symbols, said method comprising:

(a)   organizing a plurality of said symbols into a first bit plane, each said symbol in said first bit plane occupying the same position in a respective sequence of ordered symbols for a pixel, wherein said first bit plane represents the most significant bit;

(b)   organizing a plurality of said symbols into a second bit plane, each said symbol in said second bit plane occupying the same position in a respective sequence of ordered symbols for a pixel;

(c)   organizing a plurality of said symbols into a third bit plane, each said symbol in said third bit plane occupying the same position in a respective sequence of ordered symbols for a pixel;

(d)   compressing said image by compressing said first bit plane;

(e)   compressing said image by compressing said second and third bit planes together as a group, wherein said first bit plane is compressed separate from the combination of said second and third bit planes, wherein said compressed first bit plane has a lower degree of loss than said compressed second and third bit planes.

26 (Previously presented). The method of claim 25 where said bit plane is compressed using a lossless compression algorithm.

27 (Previously presented). The method of claim 26 where said algorithm is a Huffman encoding scheme.

28 (Previously presented). The method of claim 26 where said algorithm is a run length encoding scheme.

29 (Previously presented). The method of claim 25 where compression of said bit plane reduces the number of symbols in said bit plane.